

Galena Federation of Teachers

Local 4640 IFT-AFT/AFL-CIO

November 5, 2019

IELRB Public Posting

The Galena Federation of Teachers (GFT) has been bargaining with the Galena Board of Education (BOE) a successor agreement since July 24, 2019. The parties have formally met ten (10) times and began working with a Federal Mediator on September 23, 2019. The parties discussed and have several tentatively agreed upon items; salary and the salary schedule are still on the table.

The District claims the salary schedule is “unsustainable” but offers no proof of their claim. The Collective Bargaining Agreement (CBA) has maintained a 4 x 4 salary schedule since 1991. The Union has repeatedly requested data from the District to support their claim. The answer from the BOE has been, “the salary schedule is unsustainable” without providing supporting data. The BOE has threatened there will be a Reduction in Force if the GFT does not agree to eliminate the salary schedule, again without providing support to their threat.

According to the ISBE State Report Card, Galena's average salary is 3rd out of 6 schools in the county. GFT goal is to offer a salary schedule that is competitive with other schools in our region. It is apparent with the BOE's offer that they do not share the same goal. To attract and retain the high-quality teachers that Galena students deserve, the Galena BOE must bargain a fair contract that values Educators.

The Union has bargained in good faith and has listened to the BOE concerns about the salary schedule. In the past few negotiations the BOE has shared their concerns about the cost of the 4 x 4 salary schedule. GFT heard those concerns and implemented slowdowns within the salary schedule and other cost savings efforts.

- 2015: Added Ghost Lane* BA+30 (doubling amount of credits needed to advance salary).
- 2015: Decreased tuition reimbursement amount for all credits outside of a master's from \$220 to \$170.
- 2015: Decreased retirement incentive from 6% to 4%, while increasing years required in district to qualify for benefit.
- 2015: Limits to years of experience given to new hires.
- 2018: Increased education needed for each lane (12 credits vs 10 credits).
- 2018: Added Ghost Lane* MA+24.
- 2018: Capped number of credits allowable per year.
- 2018: Capped number of credits able to move per year from unlimited to only 6 credits.
- 2018: Restricted credits for non-tenured teachers, not allowing horizontal movement.
- 2018: Restricted degrees that the district will accept for tuition reimbursement and salary advancement.
- 2018: Soft freeze--no lane movements.
- 2019: Current negotiations: The GFT has agreed to concessions to supplemental stipends, thus saving the District money moving forward.

*Ghost lane=no one can move into the lane for pay advancement. If one is currently in the lane, they can move to the next lane once hours are completed.

Figure #1. The salary schedule is sustainable. Eleven of the past twelve years, the District has brought in more revenue than what they are spending. Below is information from the Annual Financial Report the school district must submit to the State every year.

Source: ISBE ILEARN (Illinois Local Education Agency Retrieval Network)

www.isbe.net/funding/html/gsa.htm

Year	Revenue	Expenses
2019	11,581,257	11,325,600
2018	11,594,229	10,202,685
2017	11,003,733	10,652,749
2016	11,048,151	10,253,403
2015	10,895,612	10,604,088
2014	12,523,089	10,163,281
2013	8,564,936	9,927,848
2012	11,381,003	9,359,523
2011	9,800,209	8,954,432
2010	9,550,790	8,808,382
2009	9,112,613	8,638,914
2008	8,865,472	8,679,519
2007	8,686,221	8,374,965

Figure #2. Comparing Budget to Actual. The District has four (4) fund balances. The fund balances are Ed fund, Operations and Maintenance, Transportation, and Working Cash. Below is information from the Annual Financial Report the school district must submit to the State every year.

Source: ISBE ILEARN (Illinois Local Education Agency Retrieval Network)

www.isbe.net/funding/html/gsa.htm

2018 Ending Fund Balance:

	Actual	Budgeted
Ed Fund	4,999,228	3,405,035
Op and Maintenance	871,598	748,599
Transportation	481,114	396,549
Working Cash	847,878	767,077
Total:	7,209,818	5,317,260

***The District over-budgeted 1,892,558.00 for these four funds.**

2017 Ending Fund Balance:

	Actual	Budgeted
Ed Fund	4,187,268	3,585,101
Op and Maintenance	581,554	118,327
Transportation	289,560	387,241
Working Cash	759,892	664,602
Total:	5,818,274	4,755,271

***The District over-budgeted 1,063,003.00 for these four funds.**

2016 Ending Fund Balance:

	Actual	Budgeted
Ed Fund	3,887,292	3,198,047
Op and Maintenance	426,492	654,662
Transportation	484,013	374,819
Working Cash	669,493	573,749
Total:	5,467,290	4,801,277

***The District over-budgeted 666,013,00 for these four funds.**

2015 Ending Fund Balance:

	Actual	Budgeted
Ed Fund	3,503,930	2,345,636
Op and Maintenance	183,033	(69,292)
Transportation	407,820	625,962
Working Cash	575,879	959,110
Total:	4,670,662	3,861,416

***The District over-budgeted 809,246,00 for these four funds.**

The numbers speak for themselves as the Galena School District is solid financially and has maintained a top rating of 4 out of 4. The numbers prove the 4 x 4 salary schedule has been sustainable.

GFT's last proposal is sustainable and fair.

GFT's last proposal from 10/17/2019 presented to the Federal Mediator:

For each year in this five (5) year contract, 2019-20 school year through 2023-2024 school year, the base rate increase will be:

- *2019-20: 0.25% increase to the base.*
- *2020-21: 0.5% increase to the base.*
- *2021-22, 2022-23, 2023-24: 0.5% or Consumer Price Index (CPI) in levy calculations, whichever is greater, with a ceiling of 3% on the base. CPI will be defined as the percentages from two years previous, as released by the Bureau of Labor Statistics. For example, for the 2019-20 school year, the CPI from 2017 would be used.*

Regarding vertical movement there will be no double-jumps when vertical movement is reinstated beginning with the 2019-20 school year.

Regarding horizontal movement there will be no double-jumps when horizontal movement is reinstated beginning with the 2019-20 school year.

The CPI concept came from a BOE proposal. The GFT has accepted this concept due to their willingness to work with the District.

The cost of GFT's salary schedule proposal:

- **2019-20:** -\$21,671.34 (-.45% decrease from previous year)
- **2020-21:** +\$117,333.96 (+2.4% increase from previous year)
- **2021-22:** +222,313.15 (4.5% increase from previous year)*

- **2022-23:** -\$59,833.30 (-1.1% decrease from previous year)*
- **2023-24:** +43,511.91 (+.85% increase from previous year)*

Overall estimated increase to total salary over the course of the contract is 6.2%.

Amounts reflect the total estimated increase to salaries. Estimated figures factor in retirements by replacing outgoing teachers with teachers starting at the base salary.

***Amounts based on estimated increases to the CPI of 2% in 21-22, 2.5% in 22-23, and 3% in 23-24.**

Conclusion. The BOE, in nearly all their presentations to faculty or community members, frames the discussion of sustainability around individual raises. While it would seem logical to assume that if faculty are receiving average salary increases of 5.97% per year, then the amount spent on teacher salaries must be growing at a rate that will soon result in budget deficits. However, what the BOE fails to mention is that according to ISBE's Illinois School Report Card, since 2008, the average teacher salary in Galena schools has increased by just over 6%. More importantly, the total amount spent on teacher salaries by the district has increased by only 4.5% during that same time period. This is due to retirements and attrition, shedding higher end-of-career salaries, and replacing them with teachers starting at the beginning of the salary schedule. District revenue, tied to the Consumer Price Index, is outpacing salary growth. Instead of teacher salaries taking up more and more of the budget, the surplus is growing (Figure 1 and 2). The changes to the CBA (referenced above) will slow growth even more in coming years. The salary schedule will continue to be sustainable and allow the district to recruit and maintain a quality faculty, continue to update curriculum and opportunities for our students, and free up capital for infrastructure improvements. Our dedicated teachers will continue to help make that a reality.